



Advancing Landscapes in the Andean Amazon (ASLAA)

Quarterly Report

FY 2015 - QR1

1 PROJECT COVER SHEET

1.1 NAME OF THE PROJECT:

Advancing Landscapes in the Andean Amazon (ASLAA)

1.2. DATES (START/FINISH):

AGREEMENT/ CONTRACT

Sun, 30/09/2012 - 00:00 to Tue, 29/09/2015 - 00:00

REPORT PERIOD

Mon, 31/12/2012 - 00:00 to Mon, 01/10/2012 - 00:00

1.3. PRIME PARTNER:

Rainforest Alliance

1.4. NAME OF PROGRAM MANAGER:

Name Program Manager

Mark Moroge

E-mail Program Manager

mmoroge@ra.org

Phone number Program Manager

+593 2250636, +593 2250011

1.5. NAME OF AGREEMENT OFFICE REPRESENTATIVE OR CONTRACT OFFICE REPRESENTATIVE:

Mónica Suquilanda

1.6. NAME OF ALTERNATE AOR OR COR:

Monica Romo

1.7. MECHANISM NUMBER:

AID-OAA-A-11-00055

1.8. OVERALL PROGRAM DESCRIPTION:

Our strategy is premised on addressing the principal threats to biodiversity and their drivers identified in two landscapes that have the most significant impact and can be countered directly given the experience of RA and its partners to optimize impacts locally. The threats include habitat degradation and loss due to wholesale deforestation or land-use conversion, while the drivers of these threats can be grouped into three areas: a) limited institutional capacity by local governments and communities for natural resource management; b) limited participation in and access to programs by local groups for resource management and sustainable production chains; and c) weak organizational capacity and market linkages of local producers and operators to grow local economic opportunities. RA and its partners, AIDER and ECOLEX, designed this project to conserve biodiversity in two landscapes, Sucumbíos/Napo, Ecuador and Cusco/Madre de Dios, Peru. In the first landscape we work in the Cuyabeno Wildlife Reserve (CWR), the Limoncocha Biological Reserve (LBR) and the buffer zone of Sumaco – Napo Galeras National Park. In Madre de Dios (MDD), we work in the district of Tambopata in the communities of Tres Islas (TI), Palma Real (PR), Infierno, Sonene, and Puerto Arturo (PA). We also work with the Brazil nut gatherer associations RONAP, located alongside the interoceanic highway, and ASCART, in the Tambopata National Reserve. In Cusco, we work in La Convención and Calca Provinces. Within CWR, we work in the tourism area and with the Siona communities of Tarabeia, San Victoriano, and Puerto Bolívar, for a total of 130,000 ha. The LBR is located in the Shushufindi canton close to Yasuní National Park. In the buffer zone of Sumaco-Napo Galeras National Park we work in the Hatun Sumaco parish, which includes the Hatun Sumaku, Wawa Sumaku, Wuamaní, Patco Sumaku, Pucuno Chico, Volcán Sumaku and Challuayacu indigenous communities. In Tambopata, we work with the Ese Ejaz, Shipibos, Yine, Amahuaca, and Kicharunas ethnicities representing 75,000 ha approximately. In upper and middle Tambopata, we work in the Filadelfia area with tourism operations, representing approx. 3,000 ha. The combined land area managed by ASCART and RONAP totals forest concession areas of approx. 70,000 ha. In La Convención Province we work in Quellouno and Echarate districts and in Calca Province in Yanatile district, within the Ivochote and Laco-Yavero watershed and cover 13,500 ha of the following cooperatives: Bioazul, Jose Olaya, Chaco Huayanay, Paquivo, Alto Urubamba, and Mateo Pumacahua and Asociacion Agricultura Ecologica.

2. STRATEGY OVERVIEW

2.1. INTERMEDIATE RESULTS

2.1.1 IR1 - Selected Landscapes Managed Sustainably:

Under AR1, sound landscape planning and use of sustainable natural resource management (NRM) practices, our main achievements are listed below.

To work toward strengthening the capacity of local actors and government entities for NRM:

- SL trained youth leaders (6 women; 8 men) in Wamaní to carry out fieldwork required to implement the MAGAP reforestation program. Training focused on selection of reforestation sites, georeferentiation, land preparation, production and collection of seedlings, and plantation establishment.
- In Cuzco SL trained 34 producers in integrated soil management, and 465 ha of producer lands committed to implement SL's integrated soil management program. Enhancing soil quality in these lands is critical to improving producer yields and ensuring sustainable production.

To help local actors and governments develop NRM plans that better reflect the local environmental and economic realities and needs:

- In October 2014, the regional forestry authority approved PA's forest management plan, developed by SL with the community. PA can now harvest its planned 2014-2015 volumes, generating legal revenue from timber extraction and supporting the implementation of an array of forest management BMPs.

Under AR2, improved environmental governance, our main achievements are listed below.

To work toward strengthening the capacity of local actors and government entities for NRM:

- SL identified critical nodes for the control and surveillance system in Wamaní by conducting literature review and focus groups with community leaders, government authorities, and other institutions. Appropriately identifying these nodes is a key advance in supporting Wamaní to develop an effective control and surveillance system to mitigate the effects of deforestation and degradation of its forests and respect laws and regulations for their community area.
- SL conducted 3 trainings with 4 members of the TI palm fruit committee to conduct phenological monitoring and improve community understanding and response measures to periodic production variations.

To improve local participation in accessing, using and managing natural resources and policies, laws, or agreements for management and administration:

- SL trained members from the 7 HS communities on organizational strengthening (35 participants), and forestry policies and administration procedures for timber harvesting and forest control (42 participants). The latter workshop underscored the importance of communities obtaining their land title so they can comply with the forestry policies and obtain legal wood. These trainings are part of a broader SL capacity building program in HS that will strengthen community efforts to implement alternative livelihoods and access to government program initiatives that SL is concluding this year.
- SL assisted in the preparation and submission of land tenure regularization materials for 4 HS communities (Wawa Sumaco, Hatun Sumaco, Volcan Sumaco, Challwayacu) to the provincial government, and is engaging with provincial government authorities to try to expedite the approval process.

Under AR3, improved sustainable livelihoods and ecosystem resilience, our main achievements are listed below.

To improve understanding and application of best management practices, and increase weak market penetration and competitiveness:

- With financial support secured from GIZ, SL conducted trainings for members of Sani Lodge, the Sani Warimi community and the cultural association of Iluku to improve these groups' abilities to identify and implement good business practices that enable efficient, accurate and organized management and administration. For Sani Lodge, special topics like food handling, inventory and warehouse management were demonstrated through technical assistance visits to raise the quality standards for the lodge and achieve a sustainable tourism product.
- SL identified the contracting of an external administration unit as the most viable solution to the management challenges facing Sani Lodge. We reached this conclusion after analyzing the results of a rigorous economic and financial assessment of lodge operations, and through many consultative meetings with the community, community board, ancestral leaders and institutions. SL then facilitated the contracting of an independent company, Marcus R&T, tasked with managing administration for a 3-year period while simultaneously strengthening the capacities of local staff to lead and manage effectively the lodge afterwards. By solving

management and transparency issues in the short-term while building local management capacity in the medium-term, we hope to resolve the mismanagement that has limited profits of Sani Lodge in recent years.

- SL conducted a series of trainings through the Naranjilla Roundtable, building capacities of HS producers and representatives from the technical college of Wamaní and local authorities. Key topics included: 1) organizational strengthening, 2) sustainable naranjilla crop management and BMPs, 3) good post-harvest and manufacturing practices and 4) value-addition and merchandising. On average, 26 individuals participated in the trainings: 2 women and 3 men completed 4 modules, 2 women and 5 men completed 3, and 3 women and 8 men completed 2. At the end of the training process we expect the farmers to adapt BMPs, share knowledge with their neighbor farmers and move towards clean naranjilla production. Support from the UEA, MAGAP local staff, INIAP, ARCSA (Agencia de Regulación y Control Sanitario) and CIPCA (Centro de Investigación, Posgrado y Conservación Amazónica de la UEA) was critical in carrying out the events; we anticipate they will take this work forward after SL concludes.
- SL conducted 2 BMP trainings with pilot farmers distributed in the 7 communities. The trainings prioritize practical application of BMPs for ' clean naranjilla' production.

To improve capacity for NRM and access to government and other conservation and development programs:

- In Peru, native communities are advancing in the implementation of their small grants. TI has improved its Brazil nut collection and peeling center through improved equipment and enhanced safety procedures. Twenty women will use the new craft dryers and peeling tables during processing. In PR, 42 women are benefitting from improved equipment and security of the "crafts houses", where women convene to develop handmade baskets, clothes and jewelry using tamshi, a common local vine. These advances speak to these groups' ability to manage funding and execute projects in accordance with project requirements.
- SL supported 100 producers in soliciting loans from Agrobanco. The loans are currently under evaluation. If received, they will help farmers renovate plants.

2.1.2 IR2 - Key Elements of Natural Resources Governance Functioning in Critical Landscapes:

Line of action 2 - Promote the application of territorial conflict management mechanisms

- SL assisted Sonene in establishing its community monitoring committee, tasked with coordinating and organizing natural resource management within the community. As part of this work, the community georeferenced and delineated its boundaries. This helps ensure a clear and collaborative relationship with the Tambopata NR leadership as it brings clarity to the nature and spatial extent of community activities bordering the reserve, in particular, with regards to hunting areas.

Line of action 3 - Develop capacities of authorities and indigenous peoples in the comprehension and management of mechanisms for land regularization, environmental rights and indigenous rights

- SL has clarified and resolved several observations on i.e. management plans and document notarization raised by MAE provincial representatives regarding the requirements for legalization of land tenure for the communities of Jatun Sumaku, Volcan Sumaku, Challwayaku and Wawa Sumaku. With these clarifications, it is hoped that the legalization process can proceed; SL is monitoring this approval process closely in order to ensure the successful legalization of land tenure of these communities.
- SL facilitated agreement between the Tambopata NR leadership, the Regional Tourism Board and tourism operators on the guidelines for the Tambopata NR Tourism Use Guidelines. The

guidelines define the activities that can be undertaken and how they should be carried out in order to reduce tourism's impacts on biodiversity.

- In November, 2014, SL supported the definition of the contractual terms for the operation and commercialization of the 2015 Brazil nut harvest between CANDOR and RONAP. SL also contributed to defining the contracts between native community partners of AFIMAD, and CANDELA, achieving increased benefits for communities and clarity and transparency in the obligations and responsibilities of each party.

Lines of action 5 and 6 - *Build capacity of civil society and indigenous organizations to influence the environmental decision-making and providing access and dissemination of environmental and natural resources information.*

- SL trained 23 representatives from Posada Amazonas and Refugio Amazonas (lodges associated with the Infierno community) on application of the site plans for Sandoval Lake and the clay licks of Chuncho y Colorado, and regulations governing their use. Implementation of the plans and regulations should contribute to reducing negative impacts from tourism in the Tambopata NR and provide alternative visiting areas to limit overuse of Lake Sandoval, the region's prime tourist attraction.
- Cuzco's multi-stakeholder Coffee and Cocoa Technical Roundtable has completed its strategic coffee plan as well as regulations to govern the functioning of the roundtable. SL facilitates this roundtable, which is emerging as an incubator to inform public policy. The roundtable is a key space for upscaling SL's approach to integrated farm management and BMPs.
- In coordination with SERFOR, SL is supporting the elaboration of the regulations for the new Forestry and Wildlife Law: SL convened 2 workshops in Madre de Dios to facilitate Free, Prior and Informed Consent, primarily amongst the region's native communities. Approximately 40 individuals received training through these workshops.
- SL facilitated a meeting between OSINFOR, DRFFS, FENAMAD and the VEEDURIA as well as the communities of Palma Real and Sonene, in order to clarify the functions of the institutions and their new representatives as well as enable native communities to share with the authorities their concerns and needs regarding current forest management regulations and procedures. SL socialized amongst the native communities of PR and Sonene the procedures for obtaining timber permits, sanctions and infractions within the new Forestry Law and Regulation, and procedures for timber permit supervision within native communities. Native communities suggested how to adjust the current framework to surmount current regulatory barriers and better favor and enable legal, sustainable forest management amongst native communities. The meeting was particularly important as it will enable opportunities for future dialogue with the new authorities, who normally do not receive sufficient background or training on the limitations the current regulatory framework poses to native communities.

2.1.3 IR3 - Increased Capacity to Utilize Payment for Environmental Services (PES)-like and other Economic Incentive Programs:

- SL provided technical assistance to the communities of Sani Isla and Pucuno Chico, to update their investment plans for Socio Bosque and obtain the approval from the general assembly in each community for the updated plans. Effective implementation of these investment plans will help bring continuity and sustainability to SL interventions in the future. For example, Pucuno Chico anticipates investing future revenues of \$13,032 over the next 20 years to benefit 140 community members, and invest in: territorial consolidation and conservation; organizational strengthening; socio-cultural development; and productive economic alternatives. This marks the first time Pucuno Chico has completed a SocioBosque investment plan.

- In alliance with CANDOR, UNAMAD, RONAP, ACCA and SERNANP, SL is providing technical support and leveraging our experiences with sustainable land management standards development to inform the development and validation of sustainable management standards for Brazil nut harvesting and extraction. This work represents a strategic opportunity to further add-value to Brazil nut harvesting by emphasizing good environmental and biodiversity conservation practices, which are not covered by current FairTrade or organic certification schemes.
- In Q1 and culminating at COP20 in Lima, SL facilitated discussions between ASCART, AGROBANCO and SERFOR which enabled ASCART to receive the full credit request it made of AGROBANCO. Due to non-conformities with loan terms from other producers – but not ASCART – AGROBANCO was considering reducing by 50% the credit available to ASCART. Through these negotiations, ASCART, SL and SERFOR enabled AGROBANCO to recognize and reward ASCART for its good performance; ultimately AGROBANCO agreed not to reduce its credit amount. Access to such credit is crucial to enable ASCART to manage its operations without depending on unfavorable commercial arrangements to finance their credit needs.
- The Tourism Marketing Plan for Tambopata has been endorsed by the Tourism Hostal Association of Puerto Maldonado, who also agreed to support its implementation, facilitating the long-term sustainability of the plans implementation. Then, at the International Tourism Fair AVIT held in Arequipa, SL built relationships with approximately 17 tour operators including interested in enhancing services to Tambopata destinations, offering the potential to increase demand for local tourism lodges.
- The business plan for cacao commercialization in Ivochote has been finalized. The plan lays the foundation for facilitating access to PROCOMPITE funding for SL beneficiaries to finance and upscale their integrated land management interventions.

2.1.4 IR4 - Greater Understanding and Solutions for Key Environmental Issues:

This year SL is concluding several case studies to evaluate the success and limitations in our project intervention model. Advances against two of these follow:

- Landscape Analysis case study: SL is developing a decision-support-system (DSS) as a means to inform local governments in Napo and Cuzco of important land use change dynamics in their jurisdictions, and systematize data on land use change and past and existing investments in a means that helps governments and other actors better identify what types of future development projects they should invest in and where. Key inputs to the design of this DSS include the acquisition, analysis and systematization of remote sensing imagery and secondary data. In Q1, SL:
 1. Completed an analysis of LANDSAT images covering approximately 385,000 ha in Napo and Cuzco and timeframes between 1988 and 2013 (for Napo), and 1985 to 2011 (for Cuzco). Image pairs were then generated for each study period and an automated algorithm applied, to detect historical changes in land use and land cover change.
 2. Information on infrastructure, productive systems and environmental projects was also collected and systematized, and has been integrated into the overall DSS. This data will help local governments triangulate between past and existing investments and land use change dynamics, to draw conclusions about the relationships between their prior investments and land use change, as well as identify underserved regions in need of future support.

In Q2, we will build on these advances to develop a spatial overlay/visualization tool that integrates the above data layers, and host consultations with key local actors. We will also develop a more user-friendly interface.

- Forest degradation case study: Results on analysis of tropical forest degradation detection potential using RADAR images have been presented. They demonstrate that it is possible to detect degraded forest in the study area. This may facilitate SL efforts to evaluate the impacts of project interventions such as SocioBosque implementation, or improved community governance, on illegal timber extraction and forest encroachment.
- SL concluded field-data collection and field-activities required to establish the acceptable change limits for the Chuncho and Guacamayo clay-licks, located in the middle- and high-reaches of the Tambopata river, within the NR. Data collected will be utilized to develop the acceptable change limit thresholds based on up-to-date environmental and biodiversity trends in the area. In the past, such change limits were not established for many highly-vulnerable areas within Tambopata, or they were done based on outdated data. Thus, SL's intervention represents a significant advance towards recognizing and mitigating the adverse impacts of tourism on the areas biodiversity and ecosystem services.
- In November, SL leveraged the UNFCCC COP20 Climate Summit in Lima, to raise awareness of the challenges and opportunities for integrated, sustainable land management to halt deforestation pressures and mitigate climate change in the Andean Amazon. In addition to hosting an array of informal meetings with key officials from MINAM, SERFOR and other key agencies and actors in both Ecuador and Peru, SL staff members reached well over 200 key stakeholders through 3 presentations highlighting: SL's integrated management models in Ecuador and Peru and the importance of orienting project activities to tackle deforestation drivers, as well as the potential impacts of bundling public and private incentives within a given community, as a means to enhance the value of standing forests amongst community members and thus combat deforestation threats. A case study on applying the integrated management model in Tres Islas, with a specific focus on the importance of BMPs, self-governance, product diversification, access to finance and access to markets. A case study explaining the process of adapting the MAGAP Commercial Reforestation Incentives Program to suit the needs and realities of indigenous Amazonian communities.
- SL's integrated management models in Ecuador and Peru and the importance of orienting project activities to tackle deforestation drivers, as well as the potential impacts of bundling public and private incentives within a given community, as a means to enhance the value of standing forests amongst community members and thus combat deforestation threats.
- A case study on applying the integrated management model in Tres Islas, with a specific focus on the importance of BMPs, self-governance, product diversification, access to finance and access to markets.
- A case study explaining the process of adapting the MAGAP Commercial Reforestation Incentives Program to suit the needs and realities of indigenous Amazonian communities.

These presentations and other engagements throughout COP20 were integral to sharing SL's innovations and advances with other key regional actors, as well as identifying how to better leverage emerging regional initiatives such as Nationally Appropriate Mitigation Actions, REDD+ and Indigenous REDD+ as vehicles for upscaling SL's integrated management approaches.

2.1.5 Support Unit Services:

8.SUMMARY

8.1 Achievements:

- Cuzco's multi-stakeholder Coffee and Cocoa Technical Roundtable has completed its strategic coffee plan as well as regulations to govern the functioning of the roundtable.

- The regional forestry authority approved PA's forest management plan; PA can now harvest its planned 2014-2015 volumes, generating legal revenue from timber extraction and supporting the implementation of an array of forest management BMPs.
- The Sani Isla and Pucuno Chico communities completed their Socio Bosque (SB) investment plans and secured general assembly approval. The investment plans should bring continuity to SL-promoted interventions after it concludes. This marks the first time Pucuno Chico has completed an SB investment plan.

8.2 Challenges and Adjustments:

- SL reduced burn rate due to delays in ICAA program receipt of funds. Pace of implementation slowed as a result; SL is now several months behind schedule and underspent on some activities. SL is grateful for the incremental funding that was received around the close of Q1; upon receipt we immediately opened pending lines of work, however the impacts of the funding delay will challenge the team in the coming months.
- SL relies on GIZ for cost-share resources and in-kind collaboration for various tourism and naranjilla-related activities. GIZ's possible departure from Ecuador due to the political situation between Germany and Ecuador jeopardizes this. We are closely monitoring this situation and will define alternative strategies to carry forward activities that may be impacted.